

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF
DUNKIRK PUBLIC LIBRARY
JAY COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
12/31/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Ailesia Franklin	01-01-06 to 12-31-08
Treasurer	Susan McCombs Devon Lykins	01-01-06 to 09-01-08 10-13-08 to 12-31-08
President of the Board	Roy Sneed	01-01-06 to 12-31-08



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE DUNKIRK PUBLIC LIBRARY, JAY COUNTY, INDIANA

We have examined the financial information presented herein of the Dunkirk Public Library (Library), for the period of January 1, 2006 to December 31, 2007. The Library's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the Library for the years ended December 31, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

November 20, 2008

DUNKIRK PUBLIC LIBRARY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
As Of And For The Years Ended December 31, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 21,629	\$ 149,066	\$ 125,617	\$ 45,078
Gift	58	1,072	1,035	95
State Technology Grant	-	2,700	-	2,700
Tractor Engine Tour	-	265	265	-
Teen Reading Fund	-	202	171	31
Friends	403	10,136	10,539	-
Museum Gift Fund	727	315	947	95
Summer Reading	71	1,910	1,876	105
Levy Excess	786	-	786	-
Library Improvement Reserve	15,384	13,018	10,000	18,402
Fiduciary Fund:				
Payroll Withholdings	-	14,555	14,555	-
Totals	<u>\$ 39,058</u>	<u>\$ 193,239</u>	<u>\$ 165,791</u>	<u>\$ 66,506</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 45,078	\$ 142,995	\$ 137,285	\$ 50,788
Gift	95	161	256	-
State Technology Grant	2,700	2,700	2,700	2,700
Teen Reading Fund	31	300	159	172
Museum Gift Fund	95	725	714	106
Summer Reading	105	1,665	1,770	-
Library Improvement Reserve	18,402	3,257	-	21,659
Fiduciary Fund:				
Payroll Withholdings	-	15,607	15,607	-
Totals	<u>\$ 66,506</u>	<u>\$ 167,410</u>	<u>\$ 158,491</u>	<u>\$ 75,425</u>

The accompanying notes are an integral part of the financial information.

DUNKIRK PUBLIC LIBRARY
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Library was established under the laws of the State of Indiana. The Library provides the following services: culture and recreation, and general administrative services.

Note 2. Fund Accounting

The Library uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are received are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Library in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Library on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Library to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

DUNKIRK PUBLIC LIBRARY
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2007

This library has no general infrastructure assets.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 10,000
Buildings	260,000
Machinery and equipment	<u>1,404,211</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 1,674,211</u>

DUNKIRK PUBLIC LIBRARY
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
December 31, 2007

The Library has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Notes and loans payable	\$ 1,783	\$ 1,836

DUNKIRK PUBLIC LIBRARY
EXAMINATION RESULT AND COMMENT

PENALTIES, INTEREST, AND OTHER CHARGES

Several instances were noted where penalties were paid for exceeding credit card limits. Penalties of \$87 and \$218 were paid during 2006 and 2007, respectively.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee.

(Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

DUNKIRK PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on November 20, 2008, with Ailesia Franklin, Director; and Roy Sneed, President of the Board. The officials concurred with our finding.